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S-03593A-05-0000

7/21/2005

SEC-1232

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1 BEFORE THE ARIZONA CORPORATION COMMISSION

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3 IN THE MATTER OF: )

4 MARK J. SHEEHY, CRD#224709 )

and JANE DOE SHEEHY, )

5 husband and wife )

28432 N. 112th Way )

6 Scottsdale, AZ 85262 )

7 Respondents. )

PREHEARING

CONFERENCE

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At: Phoenix, Arizona

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Date: July 21, 2005

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Filed:

AUG 05 2005

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

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1 BE IT REMEMBERED that the above-entitled and  
2 numbered matter came on regularly to be heard before the  
3 Arizona Corporation Commission, in Room 100 of said  
4 Commission, 1200 West Washington Street, Phoenix,  
5 Arizona, commencing at 2:04 p.m. on the 21st of July,  
6 2005.

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BEFORE: MARC E. STERN, Administrative Law Judge

10 APPEARANCES:

11

For the Arizona Corporation Commission:

12

13 Ms. Pamela Johnson  
14 Securities Division  
1300 West Washington Street  
Phoenix, Arizona 85007

15

For the Respondent Terri Sheehy:

16

17 LOOSE, BROWN & ASSOCIATES, P.C.  
18 By Messrs. C. Kyle Brown and Robert J. Metli  
11209 North Tatum Boulevard, Suite 130  
Phoenix, Arizona 85028

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COLETTE E. ROSS  
Certified Court Reporter  
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1 ALJ STERN: This prehearing conference is now  
2 open in the matter of Mark J. Sheehy, et al., in Docket  
3 No. S-03593A-05-0000. My name is Marc Stern. I will  
4 preside over this matter this morning. And -- excuse  
5 me, this afternoon. And we will take appearances at  
6 this time.

7 On behalf of the Division.

8 MS. JOHNSON: Pam Johnson, senior counsel for  
9 Division and --

10 MR. PEREIRA: And Julian Pereira, legal  
11 assistant for the Division.

12 ALJ STERN: Okay. And on behalf of respondents.

13 MR. METLI: Thank you, Your Honor. Robert Metli  
14 along with Kyle Brown along with respondent Ms. Sheehy.

15 ALJ STERN: All right. Before we went on the  
16 record, we had just a brief couple seconds to discuss if  
17 you had made any progress on resolving this matter.

18 Do you need some more time to talk, more time to  
19 think which way you are going to go with this, or what?

20 MR. BROWN: Yes, we actually did want to talk  
21 with them a little more, if we could.

22 ALJ STERN: Okay. Why don't you take a few  
23 minutes. Like I say, I am still on the morning schedule  
24 because I have been doing an order in another case. So  
25 I will come back, or you come hunt me up and let me know

1 what the status of everything is.

2 And with that, we will recess. Thank you.

3 (A recess ensued.)

4 ALJ STERN: Where are we at?

5 MS. JOHNSON: After this discussion we feel that  
6 we don't need to set a hearing date yet --

7 ALJ STERN: Okay.

8 MS. JOHNSON: -- that we can, we are hoping we  
9 will be able to do everything today to know whether or  
10 not we have a settlement within 30 days. And then if we  
11 have a proposed consent order, it will go on open  
12 meeting in September. If not, if we can't reach that  
13 type of agreement by say the end of August, we will be  
14 either requesting a hearing date or another prehearing  
15 date to discuss where we go from here.

16 ALJ STERN: Okay. The only thing I would say  
17 is, you know, it is always better to try and resolve  
18 these things. If you throw the ball in the air,  
19 Mr. Metli knows it can come down, you know, in five  
20 different directions with five Commissioners. So that's  
21 why I would sort of -- you know, I can only make a  
22 recommendation. I can't make the final decision. But I  
23 just --

24 MR. METLI: Well, that's where we are anyway.

25 ALJ STERN: Well, as long as you guys can work

1 something out, that will be good.

2 The earliest, if you wanted it, and I am really  
3 reluctant to schedule things because it messes up  
4 things, I have to schedule would be the end of October.  
5 So you probably wouldn't be, if you don't get it  
6 resolved in the next month or so, you wouldn't be much  
7 further than that.

8 MS. JOHNSON: Okay. That's good.

9 ALJ STERN: We will see where we are at. We  
10 will leave it go. I will just calendar it for about 60  
11 days. And if I don't hear from you, I will get back to  
12 you and say what is going on.

13 MS. JOHNSON: Okay.

14 MR. METLI: Perfect.

15 MR. BROWN: Thank you, Your Honor.

16 ALJ STERN: Thanks for coming down.

17 (The proceedings concluded at 2:29 p.m.)  
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1 STATE OF ARIZONA )  
2 ) ss.  
3 COUNTY OF MARICOPA )  
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7 I, COLETTE E. ROSS, Certified Court Reporter  
8 No. 50658 for the State of Arizona, do hereby certify  
9 that the foregoing printed pages constitute a full, true  
10 and accurate transcript of the proceedings had in the  
11 foregoing matter, all done to the best of my skill and  
12 ability.  
13

14 WITNESS my hand this 30<sup>th</sup> day  
15 of July, 2005.  
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